

Budget Tidbits... just the facts

By Sen. Joe Zarelli, Ranking Republican Senate Ways & Means

Budget Brief #13: A Better Way (4/15/05)

The Democrats – Governor, House and Senate – have released their budget plans and all three share the following commonalities:

- All raise taxes, ranging between \$200 million to \$500 million
- All skip required contributions to pension liabilities, setting the state up to be sued
- All grow by double digits, ranging from 11.1% to 12.3%
- All leave the state facing a \$1 billion problem in the next budget cycle

<u>Important note:</u> For the first time in over a dozen years, the budgets received <u>not a single vote from the minority party.</u> These are "one-party budgets" – although it's premature to call these budgets as *the taxes necessary to pay for the spending have not yet passed.*

A Responsible Alternative

We believe citizens deserve better and that's why we've put forth an alternative budget proposal which:

- Makes nearly \$1 billion in reductions to the Governor's budget, including foregoing new policy spending, retaining more frequent Medicaid eligibility verification efforts, enacting government liability reform, time-limiting general assistance unemployable, transitioning to a one-year immersion bilingual education program, eliminating the state subsidy for so-called career college students, holding the line on state employment, opening up government services to competitive bidding, and reducing expenditures on travel, consulting contracts, and new equipment.
- ➤ With the savings, we propose to create a budget without a tax increase, make the necessary contributions to the pension system, nearly triple the ending fund reserve, eliminate proposals to raid environmental cleanup accounts, and invest in more higher education enrollments and increased financial aid to the middle class than any other budget.

What's the end result of this approach? Five things:

- **Protect Taxpayers** No new taxes
- **Protect Pensions** No skipping of a pension payment
- <u>Protect Education</u> Fully fund K-12 Initiatives, provide 10,000 new higher ed enrollment slots, and increase financial aid eligibility to middle class families
- <u>Protect Environment</u> No raiding of environmental cleanup accounts, and provide free access to state parks by eliminating \$5 day use fee
- <u>Protect Accountability</u> Create a more sustainable budget that reduces reliance on one-time funds, enacts more ongoing savings, and nearly triples ending fund balance

Bottom Line

It is not too late for a responsible budget which protects the people, not government. Isn't this what the citizens deserve from their elected representatives?